



Control Number: 46806



Item Number: 22

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APPLICATION OF MELVIN BLOCK §
AND CITY OF BRIDGE CITY FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN ORANGE COUNTY §
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PUBLIC UTILITY COMMISSION

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OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

JOINT PROPOSED NOTICE OF APPROVAL AND REQUEST TO ADMIT EVIDENCE

COMES NOW Melvin Block d/b/a Community Water Systems, operator of the Cherry Hill Subdivision water system (Cherry Hill Subdivision), the City of Bridge City, and Staff (Staff) of the Public Utility Commission (Commission) and file this Joint Proposed Notice of Approval and Request to Admit Evidence in response to Order No. 6.

I. Background

On January 26, 2017, Cherry Hill Subdivision and City of Bridge City (collectively, Applicants) filed an application for approval of a sale, transfer, or merger of facilities and certificate rights in Orange County pursuant to Tex. Water Code Ann. §§ 13.301, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102 and 24.109 (TAC). The Applicants seek approval to transfer a portion of Cherry Hill Subdivision's certificated service area under water Certificate of Convenience and Necessity (CCN) No. 11438 and associated facilities to City of Bridge City's retail water CCN No. 12802. This Joint Proposed Notice of Approval and Request to Admit Evidence includes findings of fact, conclusions of law, and ordering paragraphs. The Applicants have reviewed and agree to the Proposed Notice of Approval attached hereto. The Proposed Notice of Approval is timely filed on or before July 14, 2017.

II. Request to Admit Evidence

The Applicants and Staff request to admit the following evidence into the record of this proceeding:

- a) Application of Cherry Hill Subdivision and City of Bridge City and all attachments, filed January 26, 2017;
- b) Supplemental information, filed March 8, 2017.
- c) Affidavit regarding notice to customers, neighboring utilities, and other affected

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parties, filed on March 8, 2017;

- d) Staff's Recommendation on Sale and all attachments, filed on May 4, 2017;
- e) Closing Documents to STM and all attachments, filed on June 9, 2017;
- f) Staff's Supplemental Recommendation on Proof of Sale Documentation, filed on June 20, 2017;
- g) Consent forms, filed on July 3, 2017; and
- h) Certificate and map, attached.

III. Proposed Notice of Approval

The Proposed Notice of Approval would approve the application for the transfer of facilities and certificate rights in Orange County, Texas currently held under Cherry Hill Subdivision's retail water CCN No. 11438 and associated facilities to City of Bridge City's retail water CCN No. 12802.

IV. Conclusion

Staff has reviewed the application and recommends its approval. The parties respectfully request that the Commission adopt the attached findings of fact and conclusions of law, as well as admit the specified pieces of evidence.

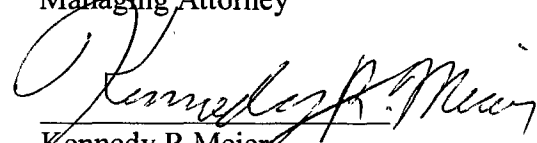
DATED: July 14, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

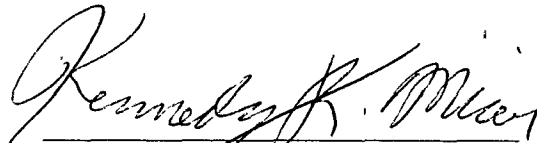


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DOCKET NO. 46806

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on July 14, 2017, in accordance with 16 TAC § 22.74.


Kennedy R. Meier

DOCKET NO. 46806

**APPLICATION OF MELVIN BLOCK
AND CITY OF BRIDGE CITY FOR
SALE, TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN ORANGE COUNTY**

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**PUBLIC UTILITY COMMISSION

OF TEXAS**

JOINT PROPOSED NOTICE OF APPROVAL

On January 26, 2017, Melvin Block d/b/a Community Water Systems, operator of the Cherry Hill Subdivision water system (Cherry Hill Subdivision) and City of Bridge City filed an application for approval of a sale, transfer, or merger of a portion of the facilities and certificate rights held under water Certificate of Convenience and Necessity (CCN) No. 11438 located in Orange County, Texas. The Applicants seek approval to transfer a portion of Cherry Hill Subdivision's certificated service area under water CCN No. 11438 and associated facilities to the City of Bridge City's water CCN No. 12802. Commission Staff recommended approval of the application. The application is approved.

Consistent with the above discussion, the Administrative Law Judge (ALJ) makes the following findings of fact and conclusions of law:

I. Findings of Fact

Procedural History, Description, and Background

1. On January 26, 2017, the Applicants filed an application for approval of the sale, transfer, or merger of facilities and certificate rights of a portion of CCN No. 11438 in Orange County, Texas. Cherry Hill Subdivision holds water CCN No. 11438 in Orange County, Texas. City of Bridge City holds water CCN No. 12802 in Orange County, Texas. Approval of the application would transfer a portion of the service area and facilities from CCN No. 11438 held by Cherry Hill Subdivision to City of Bridge City, which holds CCN No. 12802.
2. On January 30, 2017, Order No. 1 was issued, requiring Staff to file comments/recommendation regarding the administrative completeness of the application.
3. On February 27, 2017, Staff filed its Response to Order No. 1 recommending that the application be found administratively complete.

4. On March 3, 2017, Order No. 2 was issued, finding the application administratively complete.
5. On March 8, 2017, the Applicants filed an affidavit attesting that the requisite notice had been provided to the nearby utilities and Cherry Hill Subdivision customers.
6. On March 8, 2017, the Applicants filed supplemental information regarding the application.
7. On March 8, 2017, Order No. 3 was issued, deeming notice sufficient.
8. On May 4, 2017, Staff filed its Recommendation on Sale, recommending that the sale proceed.
9. On May 5, 2017, Order No. 4 was issued, approving the sale to proceed.
10. On June 1, 2017, closing documents were filed.
11. On June 9, 2017, supplemental closing documents were filed.
12. On June 15, 2017, Staff filed a recommendation that the June 1 closing documents be deemed insufficient.
13. On June 16, 2017, Order No. 5 was issued, finding the June 1 closing documents insufficient.
14. On June 20, 2017, Staff filed its Supplemental Recommendation on Proof of Sale Documentation, recommending the closing documents as supplemented on June 9 were sufficient to demonstrate that Cherry Hill Subdivision and City of Bridge City consummated the sale.
15. On June 21, 2017, Order No. 6 was issued, deeming the June 9 closing documents sufficient.
16. On July 3, 2017, Cherry Hill Subdivision and City of Bridge City filed consent forms agreeing to the final map and tariff, as prepared by Staff.
17. On July 14, 2017 Cherry Hill Subdivision, City of Bridge City, and Staff filed a Joint Proposed Notice of Approval and Request to Admit Evidence.

Notice

18. On February 10, 2017, notice of the application was published in the *Texas Register*.
19. Notice of the application was mailed to current customers, neighboring systems, landowners, cities and affected parties on March 6, 2017.

Evidentiary Record

20. On July 14, 2017, Cherry Hill Subdivision and City of Bridge City, and Staff filed a request to admit evidence.

21. On _____, the ALJ issued Order No. ___ admitting evidence into the record.

Informal Disposition

22. More than 15 days have passed since completion of the notice provided in this docket.

23. No request for hearing was submitted.

II. Conclusions of Law

1. The Commission has jurisdiction over these matters pursuant to Tex. Water Code Ann. §§ 13.242, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code § 24.109(TAC).
2. Cherry Hill Subdivision and City of Bridge City are retail public utilities as defined in TWC § 13.002(19) and 16 TAC § 24.3(59).
3. Public notice of the application was provided as required by TWC § 13.301(a)(2).
4. The application was processed in accordance with the requirements of the Tex. Administrative Procedure Act, TWC §§ 13.242, 13.246, and 13.301 and 16 TAC § 24.109.
5. Cherry Hill Subdivision and City of Bridge City completed the sale within 180 days from the date of the Commission's approval of the sale, consistent with 16 TAC § 24.1(o).
6. Cherry Hill Subdivision and City of Bridge City have demonstrated that the sale or lease and transfer of a portion of CCN No. 11438 requested in this application are necessary for the service, accommodation, convenience, and safety of the public.
7. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

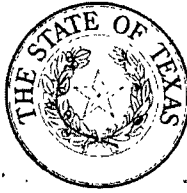
1. The application is approved and the proposed service area and facilities in Orange County are transferred to City of Bridge City. Cherry Hill Subdivision's CCN No. 11438 and City of Bridge City's CCN No. 12802 are amended to reflect the newly transferred area.

2. City of Bridge City will serve every customer and applicant for service within the area previously served by Cherry Hill Subdivision under the transferred portion of CCN No. 11438, and such service shall be continuous and adequate.
3. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

SIGNED AT AUSTIN, TEXAS the _____ day of _____, 2017.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Bridge City

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, the City of Bridge City is entitled to this

Certificate of Convenience and Necessity No. 12802

to provide continuous and adequate water utility service to those service areas in Orange County as by final Order duly entered by this Commission, which Order resulting from Docket No. 46806 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the City of Bridge City, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____ day of _____ 2017.



Public Utility Commission of Texas

By These Presents Be It Known To All That Community Water Systems

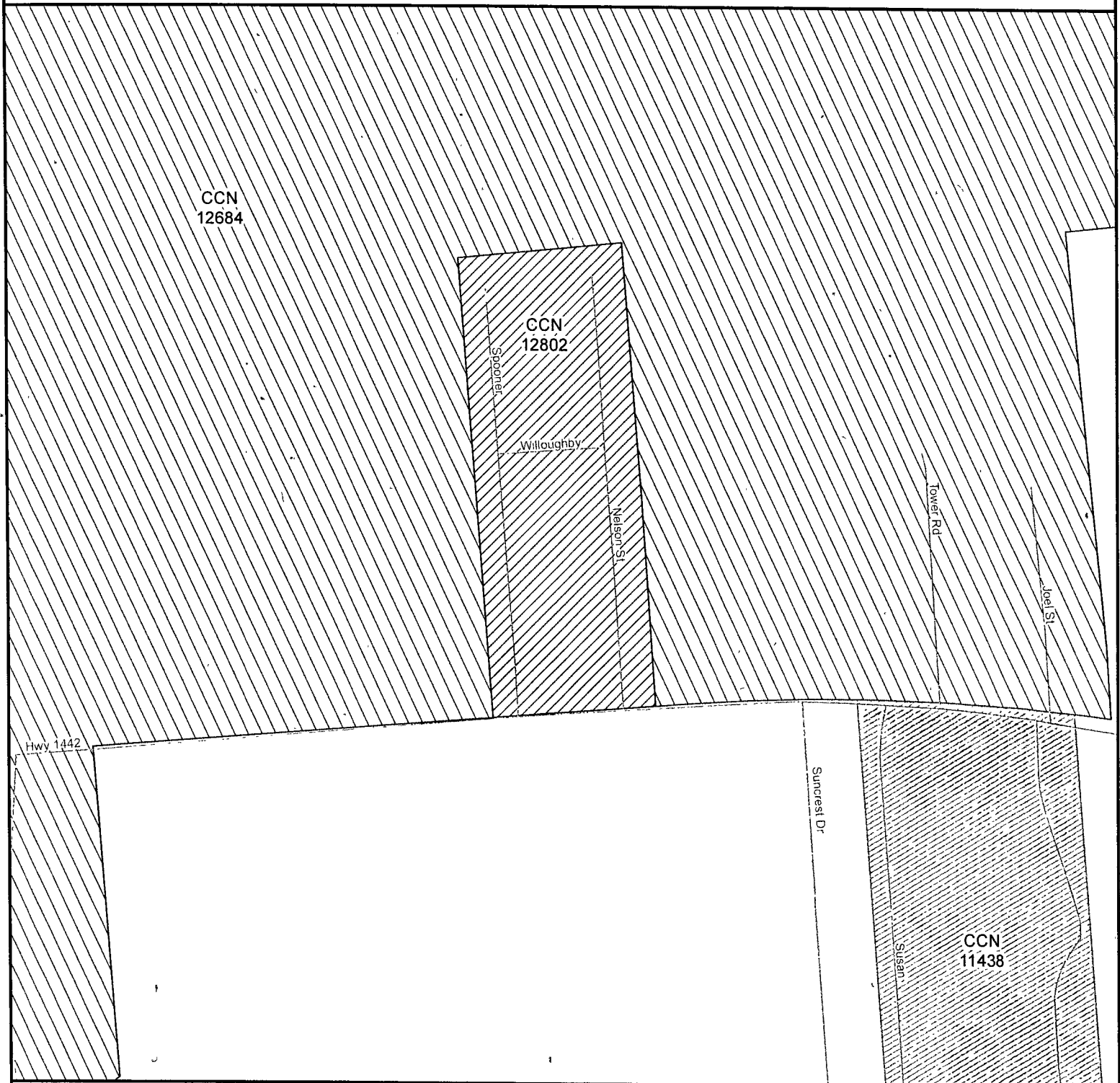
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, the Community Water Systems is entitled to this

Certificate of Convenience and Necessity No. 11438




to provide continuous and adequate water utility service to those service areas in Orange County as by final Order duly entered by this Commission, which Order resulting from Docket No. 46806 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Community Water Systems, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____ day of _____ 2017.

City of Bridge City
Portion of Water CCN No. 12802
PUC Docket No. 46806
Transferred a Portion of Community Water Systems, CCN No. 11438 in Orange County



Water CCN

-  12802 - City of Bridge City
-  12684 - Orangefield WSC
-  11438 - Community Water Systems

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